

December 15, 2021

Wade Crowfoot, Secretary
California Natural Resources Agency
715 P Street, 20th Floor
Sacramento, CA 95814

Dear Secretary Wade Crowfoot,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the Department of Fish and Wildlife submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2021.

Should you have any questions please contact James Robbins, Deputy Director (Admin Division), at (916) 653-4325, james.robbins@wildlife.ca.gov.

GOVERNANCE

Mission and Strategic Plan

The Mission of the California Department of Fish and Wildlife (CDFW) is to manage California's diverse fish, wildlife, and plant resources, and the habitats upon which they depend, for their ecological values and for their use and enjoyment by the public.

The CDFW is guided by the Seven Strategic Initiatives listed below:

1. Enhance communications, education and outreach,
2. Develop statewide land stewardship based upon resource needs,
3. Develop strong water resource management program,
4. Develop/enhance partnerships,
5. Improve regulatory programs,
6. Enhance organizational vitality by focusing on employees and internal systems, and
7. Expand scientific capacity.

The California Fish and Wildlife Strategic Vision is designed to provide the organization with direction and focus to protect the public trust, preserve nature, and make recreation available to the residents of California.

Control Environment

CDFW establishes an effective control environment through strong leadership practices. The California Fish and Wildlife Strategic Vision identifies integrity among its core values. Foundational strategies identified in the Vision include transparent decision making, which develops trust and ensures accountability.

CDFW Leadership models and expects the actions of the Department and its staff to act with integrity in carrying out the mission and operations of the Department while embracing accountability to reinforce

these expectations. These expectations are further reinforced through policies and procedures in the Department Operations Manual, Directors Bulletins, and administrative memos.

The Executive Review Committee (ERC) meets weekly to provide oversight on significant operational decisions. The ERC provides careful review and ensures consistency and appropriateness in decision making to support the Department's strategic initiatives and priorities. The Department is also connected with the Fish and Game Commission and the Wildlife Conservation Board. Both are individual entities who act independently and work collaboratively with the Department, but also serve to hold the Department accountable. The Executive Risk Group (ERG) meets quarterly to discuss risks and controls identified in the SLAA report as well as any new risks that are identified. ERG acts as an advisory panel for risk mitigation and provides guidance to SLAA workgroups tasked with developing risks and controls identified in the SLAA report.

CDFW's operations are subject to internal review by the Audits Branch (AB). Through internal audits, the AB identifies areas of potential operational risk and makes recommendations to management on mitigating those risk. The AB identifies a risk concept, collects relevant data through the audits, and makes viable recommendations to mitigate the risks. AB follows industry standards provided by the Institute of Internal Auditors that requires a minimum level of documentation and analysis to support their conclusions. Recommendations are made based on the findings that address what should have been done by management to mitigate identified risks.

CDFW has recently established the JEDI (Justice, Equity, Diversity and Inclusion) committee as part of a Departmental commitment to fostering an inclusive and diverse work environment. Members of the JEDI committee have completed the Capitol Collaborative on Race and Equity (CCORE) – a training cohort designed to train California State Departments to advance racial equity within their respective departments. JEDI focuses on Department-wide transparency in all departmental processes and projects by facilitating in-depth analysis of existing policies and processes, identifying ways for the Department to address historical context of existing policies or processes, establishing Departmental practices to broaden the department's community engagement efforts and encourage and support diversity and inclusion of existing and future department staff.

CDFW maintains an Office of Training and Development (OTD) that provides training reminders, assists managers with identifying required trainings, and tracks completion of mandated training requirements. OTD will notify both the employee and their supervisor if a scheduled or mandatory training is not completed.

Information and Communication

Communication is among the foundation strategies outlined in the Strategic Vision for the CDFW. The Director regularly engages with external stakeholders at various meetings and through media releases.

The Executive Leadership team meets weekly, and the Operations Committee meets monthly to address regional and administrative needs across the Department. The entire leadership team (Joint Leadership Team) meets twice a year to dive deeper into issues and challenges, as well as share information. CDFW regularly convenes working groups with appropriate levels of staff and managers which include subject matter experts to evaluate and respond to issues or challenges as they occur.

During the COVID pandemic, CDFW increased communication and maintained transparency with all

levels of staff and leadership through regularly scheduled CDFW Director's Live Broadcast meetings. The meetings included communication of established emergency processes and procedures and CDFW accomplishments and challenges throughout the pandemic.

The Department has engaged employees and External Stakeholders in the Service Based Budget (SBB) process and continues to share the progress and outcomes. SBB is intended to increase the Department's transparency regarding how its resources are utilized toward meeting the mission of the Department and measures the gap between the current service levels and mission level of service. The SBB process has been operationalized in the Department and is designed to inform priorities and align decision making with the Department's mission and goals, while ensuring transparency with our stakeholders.

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the Department of Fish and Wildlife monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Chad Dibble, Deputy Director, Ecosystem Conservation Division.

The CDFW Executive Risk Group (ERG) has performed a key role in ensuring the effectiveness of internal control systems. The ERG acts as an ongoing monitoring advisory group with representatives from across the Department and is facilitated by the Risk and Operations Management Unit (ROM) and the Executive Monitoring Sponsor. During the 2019-2021 period, the ERG met on a quarterly basis. Throughout the two-year period, ROM contacted each unit monitor for updates and to track significant changes to controls, implementation delays, or challenges in implementation. Unit monitors also used the ERG meetings to provide input, gather assistance in the development and implementation of controls, and report progress throughout the two-year period. The ROM provided monthly updates to the Executive Monitoring Sponsor regarding SLAA control monitoring actions and risk-related efforts. ROM tracks any identified risks in the two-year cycle to monitor progress and for consideration in future SLAA reports. The ROM is currently in the process of recruiting to fill a vacant Risk Analyst position to assist with monitoring and updating the SLAA and other CDFW risks areas.

Additionally, CDFW has various controls in place to facilitate consistent monitoring and oversight of our operations and to mitigate risks. This includes multi-phase/level approval processes to ensure appropriateness of requests and actions, and persons of appropriate level of responsibility who authorize the request or action. Monitoring and oversight is further supported through documented procedures, including reconciliation, which highlight inconsistencies or errors resulting in a more critical review.

CDFW will continue to evaluate its internal control systems for improvement during the 2021-2023 SLAA cycle, with an emphasis on establishing and tracking key indicators, engagement with appropriate review processes, and comparing results with expectations. In addition, the Service Based Budget (SBB) process identifies the gaps between the Department's current state of operations and the mission level of operations. The Department is currently operationalizing SBB, and although it was not designed for use as an internal control the process collects data, measures gaps, and yields information which, at a high level, could inform the Department of areas of potential risk and the impact of controls.

RISK ASSESSMENT PROCESS

The following personnel were involved in the Department of Fish and Wildlife risk assessment process: executive management, middle management, front line management, and staff.

The following methods were used to identify risks: brainstorming meetings, ongoing monitoring activities, audit/review results, other/prior risk assessments, questionnaires, consideration of potential fraud, and performance metrics.

The following criteria were used to rank risks: likelihood of occurrence, potential impact to mission/goals/objectives, timing of potential event, potential impact of remediation efforts, tolerance level for the type of risk, and other.

CDFW began the 2021 risk assessment process with an overview of SLAA's purpose and requirements, presented by the Department's Risk and Operations Management Unit (ROM) to the Executive Risk Group (ERG). The overview included a summary of risks reported in the 2019 SLAA report and a review of the SLAA process. The ROM then conducted an electronic survey of senior leadership (Deputy Directors, Regional Managers, and Branch Chiefs) and SLAA Workgroups to gather their input on risks facing the Department. The senior leadership group solicited input from their managers, supervisors, and staff to inform final survey submissions. The ROM presented the SLAA survey results to the senior leadership team for feedback and final risk recommendations. The ERG met to review and evaluate the items reported as risks in the survey to determine which risks would be included in the SLAA report. The ERG evaluated the risks against criteria, which included the potential to impact CDFW's ability to achieve its mission, the scope of the risk, and available controls to mitigate the risks. ROM also worked with SLAA Workgroups, committees of Subject Matter Experts (SMEs), to create risk statements and develop controls to work towards mitigation or elimination of the risks in the new SLAA cycle.

RISKS AND CONTROLS

Risk: Contingency and Continuity Planning

With the continued risk of natural catastrophes and emergencies (wildfire, earthquake, floods, dam failure, etc.), the California Department of Fish and Wildlife (CDFW) finds it is important to increase preparation in order to maintain operational continuity during natural disasters and reduce risk to staff and operations.

Control: A Continuity Plan

CDFW will continue to update and finalize the Department's Continuity Plan to establish authorities and responsibilities for emergency actions, including identifying critical roles and assignments. The Risk and Operations Management Unit will work with Regions statewide to develop individual Emergency Preparedness Plans for use during natural disasters or emergencies.

Risk: Health and Safety Risks

In the course of normal job duties, department employees may be exposed to hazards that could result in serious injury, illness, or death.

Control: A Cross-Functional Safety Committees

The Department Health and Safety Committee will continue to meet on a regular basis to review and monitor department health and safety concerns and/or incidents as they are identified to ensure appropriate response and action. Workgroups will continue to meet on an ad-hoc basis, as needed, to address specific needs or projects identified by the committee. The Health and Safety Workgroup will continue to explore options and make recommendations, including considering projects to increase awareness and understanding, for the application of Health and Safety information and prevention.

Control: B State-Owned Facility Inspections

CDFW has executed a contract for inspections of state-owned facilities (buildings, structures, houses, etc.) to identify issues or problems requiring maintenance and/or repair, some of which could result in potential Health and Safety risks, if unaddressed. Facility inspections began in January of 2020.

Due to COVID-19 restrictions, the inspections of occupied State-Owned housing have been suspended, however Facility Inspections resumed in April 2021 for non-occupied State-owned housing and other non-residential structures consistent with applicable COVID-19 safety guidance. At the present time, eight sites have been started or completed. At sites where inspections moved forward, all structures and grounds were inspected except for occupied State Owned Housing. Occupied State-Owned housing will be inspected at a later date.

Risk: Public Access and Engagement

Continued decline in hunting, angling, and shooting sports participation reduces funding to the Department for law enforcement, research, and other fish and wildlife conservation work.

Control: A Marketing and Community Engagement

CDFW continues its efforts to improve marketing and community engagement activities that support hunting, fishing, the shooting sports, foraging, and interpretive services while expanding and enhancing educational, outreach, and access programs. CDFW will continue to build out marketing efforts with increased focus on various target audiences.

The overall user-experience is cumbersome for the CDFW website and will evaluate opportunities for improvement. CDFW experienced delays in modernizing its R3 website and efforts to increase the visibility of conservation, wildlife, and fisheries management projects directly funded by hunting and fishing dollars resulting to COVID-19 response.

As a result of the pandemic, there is an increased need for digital communications, education delivery platforms, and opportunities for community engagement. CDFW will focus on building capacity through staffing, technology, and training to enhance these types of marketing and community engagement strategies. This will support CDFW's goal to increase access to information and participation in its programs and lands, hunting, fishing, and the shooting sports.

Control: B Enhanced Infrastructure and Amenities

CDFW received nearly \$7.5 million in funding in FY 21-22 to increase access to state lands for underserved communities. The funding will be used to repair, enhance, and establish new infrastructure and amenities that will provide increased opportunities and a more enjoyable experience for hunters, anglers, and non-consumptive users. Improvements such as clear trail and boundary demarcation; interpretive panels, kiosks and signage; and amenities like restroom facilities and parking lots – all substantially improve the experience of users of CDFW lands. People are more likely to want to pay for a hunting or fishing license, or lands pass, if they expect to find a clean, accessible, and enjoyable place to visit.

Control: C Increase Access and Engagement Collaboration with Partners

Strategically create partnerships with consumptive-use and outdoor recreation community organizations to foster relationships, identify barriers related to inclusivity and engagement, and inform planning and decision making to create a more relatable and consumable lifestyle with identity buy-in for potential participants and new target audiences.

Discuss lessons learned, best practices, and methods of evaluation to create an agency-wide implementation plan for community engagement, thereby increasing the credibility and positive public perception of the collaborative efforts.

Control: D Establish and Utilize Participation Data

CDFW has created several R3 data sets to help better understand target audiences and data trends for specific R3 projects. However, a comprehensive body of baseline R3 data utilizing lands use, program engagement, Justice, Equity, Diversity, and Inclusion (JEDI) initiative, and target audience is still needed. This effort will include staff located across the department in various roles in order to both prioritize data needs and gain the most comprehensive data set possible. Once a baseline is created, ongoing monitoring and data collection/analysis will be maintained by the appropriate units (e.g., Human Dimensions, lands, R3, ALDS, etc).

In addition to leveraging program evaluations, participant data, licensing data, ESRI/ArcGIS and census data, a general-use survey of California public lands will be conducted with the purpose of updating R3 and JEDI strategies, enhancing CDFW access and engagement programs (e.g. special hunts, FIC, SHARE, HE/AHE, etc), land management plans, developing land acquisition evaluations, and prioritizing funding for mission-level service based budgeting.

Risk: Workforce Planning

There is a risk that the California Department of Fish and Wildlife will not have enough qualified staff to accomplish our mission or be a competitive employer to recruit qualified candidates.

Control: A Job Specification Review Project

The Human Resources Branch (HRB) will facilitate the Job Specification Review Project. The project will include participation from CDFW program and subject matters experts (SMEs) to participate in revisions of outdated job specifications of department-specific classifications that

would impact their recruitments and staffing in their programs.

Control: B Expanded Career Services

HRB will expand career services to include a Career Center at Sacramento Headquarters used in collaboration with other California Natural Resources Agency departments to promote agency growth through recruitment activities and resources (career counseling for CDFW staff, career ladders, hiring events, public access).

Control: C Social Media Taskforce

The Social Media Taskforce is developing policy and procedure for two Social Media pilots with the goals of improving the existing centralized Social Media presence and forming a decentralized Social Media presence for various programs/offices. The goal of implementation is the beginning of 2022.

Control: D Workforce and Succession Plan Revisions

The Workforce and Strategic Planning Unit (WSP) and the Workforce Planning Advisory Team (WPAT) will revise and update the CDFW Workforce and Succession Plans to assess significant department-wide vacancies and create corresponding mitigation strategies, expand succession planning resources for CDFW programs, and identify opportunities for peer-developed training to support and retain leaders in challenging-to-recruit-for positions.

CONCLUSION

The Department of Fish and Wildlife strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Charlton Bonham, Director

CC: California Legislature [Senate (2), Assembly (1)]
California State Auditor
California State Library
California State Controller
Director of California Department of Finance
Secretary of California Government Operations Agency